Ombudsman Decision
CIFO Reference Number: 25-000568
Complainant: Ms C
Respondent: HSBC Bank Plc, Jersey Branch

Complaint

The complainant, who I'll refer to as Ms C, is complaining about HSBC Bank plc, Jersey Branch because she says the maturity proceeds of her fixed term deposit (FTD) were paid into the wrong account at maturity and that this caused a loss due to the cost of currency exchange.

Background

Ms C set up a FTD denominated in USD on 29 November 2024 with a six-month term. The maturity instruction was originally set to renew at the end of the term but this was amended to withdraw capital and interest and for the funds to be paid into her HKD account. No further changes were made and the funds were paid into the HKD account at maturity.

HSBC didn't uphold the complaint, saying the maturity instructions were changed online on 26 December using Ms C's login details and that it acted in line with the instruction it received. This notwithstanding, after the complaint was referred to us, the bank accepted there had been service failings in its handling of the complaint and offered compensation of £250. Ms C didn't accept this offer.

---

[1] Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

Our adjudicator didn't uphold the complaint. She felt the evidence showed the change to the maturity instruction was most likely made by Ms C. Further, she didn't think HSBC had made an error in acting on the amended instruction or that its communication with Ms C failed to meet the standards expected by the Jersey regulator. In respect of HSBC's offer to reflect the service failings in its handling of the complaint , she felt this was fair.

Ms C didn't accept the adjudicator's assessment and made the following key points:

- She maintains that she didn't amend the maturity instruction.
- The totality of HSBC's communications didn't meet the standard set by the regulator of being adequate, fair and not misleading.
- She believes HSBC should have confirmed the details of the change to the maturity instructions, along with the consequences of this. Relying on the fact this information was available online isn't sufficient to demonstrate it was adequately communicated.
- The monthly bank statements she received weren't sufficiently clear to notify her of the change and didn't specify the account the maturity proceeds would be sent to.
- She doesn't recall receiving the email HSBC says it sent prior to maturity and says the tracking data it's provided showing this was received and opened is unreliable and doesn't show the content was understood.
- Paying the maturity proceeds into her HKD account wasn't consistent with her previous behaviour and she had also been in discussions with her relationship manager about reinvesting the proceeds in USD.
- With more recent FTDs, she's received communications of the type she says should have been provided in this case and this shows the bank's previous processes weren't adequate.

The complaint has now been referred to me for review.

My Findings

I've carefully considered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint. In considering what's fair and reasonable, I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

Ms C has made extensive submissions in support of her complaint. But in setting out my decision, I haven't necessarily mentioned or addressed every point raised. Instead, I've concentrated on the key issues that I think are central to the outcome of the complaint. This is in keeping with our established purpose to act as an informal alternative to the courts.

Where necessary or appropriate, I've reached my conclusions on the balance of probabilities; that is, what I consider is most likely to have happened, in light of the available evidence and the wider surrounding circumstances.

In my view, the data records provided by HSBC are compelling evidence that Ms C's secure login details were used to change the maturity instructions for the FTD in December 2024. The records also appear to show the instructions were reviewed in March 2025 with no further change being made. There's no indication that anyone else accessed her online account and it's not clear how anyone else would expect to benefit by requesting the maturity proceeds were paid into another account she owned. So, on balance, I think the evidence shows that it was most likely Ms C who amended the maturity instruction, although I recognise this might have been done in error.

On the basis that this change was made using Ms C's login details, and in the absence of any suggestion the security of her account had been compromised, I'm satisfied HSBC was entitled to believe this was a valid instruction and to act upon it. I understand why she feels she should have received confirmation of the change, but there was no specific requirement for this.

The change to the maturity instructions was reflected in the monthly statements provided by HSBC. While I accept she may not have understood that *'MI'* referred to maturity instructions and that the statements didn't detail the account the proceeds would be paid into, they do show that changes had been made and Ms C could have checked her online account or contacted the bank for more information if she didn't believe she had made any changes. If she'd done so, I've no reason to think she wouldn't have discovered what had happened and been able to change the instruction as required.

Unfortunately, HSBC no longer has the actual message but it has also provided a sample of an email it says was sent to Ms C prior to the maturity of the FTD. This is entitled *'Your fixed term deposit is about to end'* and details the account into which the maturity proceeds will be paid. It also says:

> *Please be aware, this will be subject to a foreign exchange transaction and will be completed at the conversion rate on the day.*

And then invites the customer to let the bank know if they want to change the instruction. HSBC has also provided tracking data that appears to show this email was received and opened.

Ms C says she doesn't remember receiving this message. While I accept tracking data doesn't necessarily show the contents were understood, I find that the evidence shows it was most likely sent and received. Further, I'm satisfied the content is written in clear and understandable terms and should have been sufficient to notify Ms C what would be happening to the maturity proceeds of the FTD.

Taking everything into account, it's my conclusion that the evidence shows it was most likely Ms C who changed the maturity instruction and that HSBC took adequate steps to ensure she understood how the proceeds were being paid and the consequences of this before the maturity date. When considering the bank's communications in totality, I'm satisfied these were in keeping with the general requirements of the regulator. The fact HSBC may now have enhanced its procedures doesn't automatically demonstrate that those in place previously fell short of the required standard.

I note Ms C has said she was in discussions with her relationship manager about reinvesting the proceeds in USD. But I've seen nothing to show she gave any specific instruction to that effect that should have been considered to override the change made using her online account in December 2024. And I wouldn't necessarily expect HSBC to question what it was entitled to believe was a valid instruction simply because it might not have been consistent with how the proceeds of previous accounts had been paid.

The above notwithstanding, HSBC has accepted that its handling of Ms C's complaint fell short of what she was entitled to expect, particularly due to delays in its responses and confusion caused by quoting an incorrect complaint reference. I believe she should be compensated for any unnecessary distress and inconvenience caused by these service failings.

As HSBC has admitted service failings and it's offer of compensation was made after the complaint was referred to us, I am upholding this complaint. I realise the outcome is not what Ms C was hoping for but I'm satisfied it's fair and reasonable in the circumstances.

Putting things right

As stated above, I believe Ms C should be compensated for any unnecessary distress and inconvenience caused by the service failings identified in HSBC's response to her complaint. The amount to award for a consumer's distress and inconvenience can be difficult to assess as the same situation can impact different people in different ways. But in the circumstances of this case, I'm satisfied the amount of £250 is fair and reasonable and consistent with our published guidance on compensation awards.

My Final Decision

My final decision is that I uphold Ms C's complaint. Subject to her acceptance, HSBC Bank Plc, Jersey Branch should now pay her compensation of £250 GBP. If she'd prefer this to be paid in a different currency, she should let us know when accepting this decision so the bank can pay the equivalent amount based on the exchange rate at the date of settlement.

Jim Biles
Ombudsman

Date: 13 July 2026